

MDRC GREENSHEET

6-10-96

SUBJECT: DISPOSITION OF TORRANCE FACILITIES/DAC TO MDRC

		APPROVAL	DATE	REMARKS
R	Tom Overturf	<i>Tom Overturf</i>	6.10.96	
O	Steve Vogeding	<i>Steve Vogeding</i>	6/10/96	
U	Tom Motherway	<i>Tom Motherway</i>	6/11/96	
T	Steve Bisset	<i>Steve Bisset</i>	6/11/96	1) WITH THIS NOV 97 SCHEDULE ASSOCIATED RELOCATION COSTS 7.5m + (Rm 3 for 1996 2) MDC 16-17, should sign off
I	Mike Cave	<i>Mike Cave</i>	6/11/96	
N	John Van Gels	<i>John Van Gels</i>	6-11-96	MDC/C17 + Prod. Suggest this Draft should sign - NOV 97 BASED ON TRAD Study.
G	Mike Sears			Water Tower VS- NOTA W
	Dan Summers			
	Steve Frank			
	Bob Brand	<i>R. L. Brand</i>	6-14-96	
	Jim Palmer	<i>Jim Palmer</i>	6-24-96	

1. An analysis prepared by MDC-HQ recommends that DAC vacate the Torrance facility by the end of 1997 to allow for the sale of the first 40 acres of the property. The report indicates that moving out of Torrance is substantially more cost effective than remaining. The analysis indicates a NPV saving of \$45M.
2. In order for MDRC to sell the first 40 acres, this greensheet authorizes DAC to transfer the whole facility to MDRC at NBV. This transfer should occur no later than July 1, 1996.
3. DAC agrees to vacate all tenants/organizations from the Torrance facilities; the first 40 acres by August 1996 and the balance by current target date of November 1997 (including removal of remaining DAC equipment and personnel by December 31, 1997) which could be delayed by mutual consent to effect MDC savings. DAC agrees to pay any penalties incurred by MDRC as a result of any failure to meet these deadlines.
4. MDRC will charge DAC rent for space occupied at Torrance until DAC vacates the facilities at a rate equal to depreciation of the facilities occupied as well as property and related taxes, with other ownership and operating costs of buildings occupied by DAC or their tenants borne by DAC/tenants. Taxes & utilities for the 40 acre parcel vacated by DAC shall be borne by MDRC on a prorata basis.
5. MDRC will incur costs necessary to hold and prepare the property for sale, including asbestos and environmental costs up to \$25M, which represents MDC's best estimate of site remediation. Any costs in excess of \$25M will be borne by DAC if the Torrance redevelopment project is in a loss position that MDC must recognize.
6. MDRC will pay for reasonable 1996 moving costs that result in more costs than are included in the current 1996 Torrance budget in an amount not to exceed \$1.5M. Relocation costs for 1997 and later will be budgeted and borne by DAC/tenants.

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T	Steve Bisset	<i>Steve Bisset</i>	6/11/96	1) WITH THIS NOV 97 SCHEDULE ASSOCIATED RELOCATION COSTS 7.5m + (Reim 2 Feb 1996)
I	Mike Cave	<i>Mike Cave</i>	6/11/96	2) MDC/6-11, should sign off
N	John Van Gels			
G	Mike Sears	<i>Michael Sears</i>	96 06 11	
	Dan Summers			
	Steve Frank			
	Bob Brand			
	Jim Palmer			

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MDRC GREENSHEET

6-10-96

SUBJECT: DISPOSITION OF TORRANCE FACILITIES/DAC TO MDRC

	APPROVAL	DATE	REMARKS
R Tom Overturf	<i>[Signature]</i>	6-10-96	
O Steve Vogeding	<i>[Signature]</i>	6/10/96	
U Tom Motherway	<i>[Signature]</i>	6/11/96	
I Steve Bisset			
I Mike Cave			
N John Van Gels			
C Mike Sears			
Dan Summers	<i>[Signature]</i>	6/11/96	
Steve Frank			
Bob Brand			
Jim Palmer			

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P.1/10PM

310-627-3109
6-10-96

MDRC GREENSHEET

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R	Tom Overturf	6-10-96	
O	Steve Vageding	6/10/96	
U	Tom Motherway	6/11/96	
T	Steve Bisset	6/11/96	1) With the NOV 97 schedule accelerated at location EXP. 7.5m + (Room 2 for 1996 2) MDC/MDRC should sign off
I	Mike Cave	6/11/96	
N	John Van Gels	6-11-96	MDRC + Arch. Support the date should sign - NOV 97 Brian Don (and
C	Mika Sears		
	Dan Summers		
	Steve Frank	6/27/96	
	Bob Brand		
	Jim Palmer		

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MDR WAKE

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DATE: 6-22-96	TO: Kim Nichols
FROM: Steve Frank	CC: MDRC
PHONE: 310-627-3075	

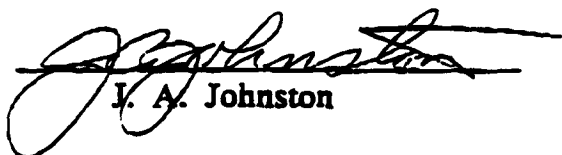
June 11, 1996

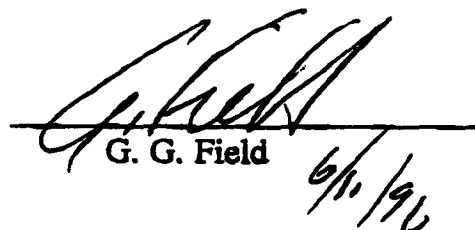
SUBJECT: DISPOSITION OF TORRANCE FACILITIES

Following are the Product Support comments on the June 10, 1996 Greensheet regarding the disposition of the Torrance facility.

The current Product Support assumptions in the DAC Operating Plan are:

1. The current rent paid by DAD&SC (\$.41 per sq /ft) will not increase prior to the move as a result of other changes that occur at the facility.
2. The costs associated with moving in 1997 will be paid by MDRC.


J. A. Johnston


G. G. Field 6/11/96

TOTAL P.01

BOE-C6-0062603